



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, JUNE 23, 1997

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**ILLINOIS DISPLAY CO. AND TOP EXECUTIVE AGREE TO PLEAD GUILTY AND
PAY \$450,000 IN FINES FOR RIGGING BIDS AND FIXING PRICES ON
BREWERY CONTRACTS**

WASHINGTON, D.C. -- An Illinois advertising display company and its top executive have agreed to plead guilty today and pay criminal antitrust fines totalling \$450,000 for fixing prices and rigging bids on advertising displays sold to Miller Brewing Company in Milwaukee, said the Department of Justice.

The Department's Antitrust Division filed criminal charges today in U.S. District Court in Milwaukee against Schutz International Inc., of Morton Grove, Illinois, and Schutz's former president, Richard F. Machas of Lake Forest, Illinois.

Thus far, the Department has brought 20 cases against nine companies and 17 individuals as a result of its ongoing antitrust investigation into bid rigging and price fixing in the point-of-purchase display industry, which began in 1992. Criminal fines have totaled \$3.7 million.

Both Schutz and Machas have agreed to cooperate in the continuing investigation of collusive practices by suppliers of point-of-purchase displays.

Schutz has agreed to pay a fine of \$350,000 and Machas has agreed to pay a fine of \$100,000. Both fines are subject to court approval.

Point-of-purchase displays include plastic and neon bar taps, clocks, inflatables, lamps, lights, and signs which contain the breweries' brand advertising. Major breweries in the U.S. purchase more than \$100 million of these displays each year.

The case charges that Schutz, Machas and co-conspirators participated in a conspiracy to suppress and eliminate competition by fixing prices, rigging bids, and allocating contracts for the sale of point-of-purchase displays to Miller Brewing Company from at least as early as the mid-1980's to January 1996, in violation of the Sherman Antitrust Act.

"These charges are the result of the Division's ever-widening investigation of collusive and anticompetitive activities in the point-of-purchase industry related to the brewing business," said Joel I. Klein, Acting Assistant Attorney General in charge of the Department's Antitrust Division. "We expect that more charges will be brought as our investigations into this industry continue and expand."

The investigation in Milwaukee is being conducted by the Antitrust Division's Chicago Field Office and the Federal Bureau of Investigation in Milwaukee with the assistance of the U.S. Attorney for the Eastern District of Wisconsin.

The maximum penalty for a corporation convicted of an antitrust violation under the Sherman Act is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greater.

The maximum penalty for an individual convicted of an antitrust violation under the Sherman Act is three years in

prison and a fine of \$350,000, twice the pecuniary gain the individual derived from the crime, or twice the pecuniary loss caused to the victims of the crime, whichever is greater.

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